(b) if so, what are the details thereof;

(c) what are the details of the investigations, if any, conducted into this; and

(d) what action has been taken/ proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) Information is being collected and will be placed on the Table of the House.

Effect of Non-withdrawal of Stipulation on Letter of Credit

1960. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to to state:

(a) whether the entrepreneurs that came to set up new industrial units based on the latest technologies and equipment are seriously crippled over the Government's failure to withdraw debilitating marginal stipulation for overseas letter of credit to-import components and chemicals for their project; and

(b) if so, how many companies are suffering because of the non-withdrawal of the restrictive provision (margin) by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The requirement of prescribed minimum cash margins on imports other than capital goods was withdrawn with effect from February 12, 1992.

(b) Does not arise.

Reduction of Cost and Duties to make Indian Industries Competitive

1961. SHRI VIREN J. SHAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Indian Industry is not in a position to compete with other countries in view of the higher infrastructure costs, high rate of import and excise duties; and

(b) if so, what Government have taken or propose to take to help the industry by removing the various restrictions and reducing the costs and duties?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The Competitive strength of Indian industry in the international market depends not only on the level of excise and import duties and infrastructure costs but also on technology absorption, productive efficiency, scales of operation as well as non-price factors such as quality and standardisation of products, schedule of delivery etc.

(b) Government have already initiated a number of policy measures such as delicensing of industry, liberalisation of technology imports, and reduction in import duties on capital goods in order to increase the competitiveness of the Indian industries.

Impact of New Economic Package on Price rise

1962. SHRI SATCHIDANANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have come out with a new economic package of liberalisation privatisation, exit policy;

(b) if so, what are the details thereof;

(c) whether such a package will increase the prices • of various commodities; and

(d) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) The contours of the new policy package are outlined in the Budget presented to the Parliament few days ago. The basic thrust of the new policy is to restore macro-economic balance and improve the efficiency, productivity and international competitiveness of Indian industry. These measure are expected to enhance supply response of the economy and contain pressures from the demand side thereby easing pressure on prices.